

# The Gazette of India

EXTRAORDINARY  
PART II—Section 2  
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## LOK SABHA

The following Bills were introduced in Lok Sabha on the 13th August, 1962:—

\*BILL No. 70 OF 1962

*A Bill to provide for the development, control and use of atomic energy for the welfare of the people of India and for other peaceful purposes and for matters connected therewith.*

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Atomic Energy Act, 1962.  
(2) It extends to the whole of India.  
(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
2. (1) In this Act, unless the context otherwise requires,—
  - (a) "atomic energy" means energy released from atomic nuclei as a result of any process, including the fission and fusion processes;
  - (b) "fissile material" means uranium 233, uranium 235, plutonium or any material containing these substances or any other material that may be declared as such by notification by the Central Government;
  - (c) "minerals" include all substances obtained or obtainable from the soil (including alluvium or rocks) by underground or surface working;

Short title,  
extent and  
commence-  
ment.

Definitions  
and interpre-  
tation.

\*The President has, in pursuance of clause (3) of article 117 of the Constitution of India, recommended to Lok Sabha the consideration of the Bill.

(d) "notification" means notification published in the Official Gazette;

(e) "plant" includes machinery, equipment or appliance, whether affixed to land or not;

(f) "prescribed equipment" means any property which the Central Government may, by notification, prescribe, being a property which in its opinion is specially designed or adapted or which is used or intended to be used for the production or utilisation of any prescribed substance, or for the production or utilisation of atomic energy, radioactive substances, or radiation, but does not include mining, milling, laboratory and other equipment not so specially designed or adapted and not incorporated in equipment used or intended to be used for any of the purposes aforesaid;

(g) "prescribed substance" means any substance including any mineral which the Central Government may, by notification, prescribe, being a substance which in its opinion is or may be used for the production or use of atomic energy or research into matters connected therewith and includes uranium, plutonium, thorium, beryllium, deuterium or any of their respective derivatives or compounds or any other materials containing any of the aforesaid substances;

(h) "radiation" means gamma rays, X-rays, and rays consisting of alpha particles, beta particles, neutrons, protons and other nuclear and sub-atomic particles; but not sound or radio waves, or visible, infrared or ultraviolet light;

(i) "radioactive substance" or "radioactive material" means any substance or material which spontaneously emits radiation in excess of the levels prescribed by notification by the Central Government.

(2) Any reference in this Act to the working of minerals shall be construed as including a reference to the mining, getting, carrying away, transporting, sorting, extracting or otherwise treating of minerals.

(3) Any reference in this Act to the production or use of atomic energy shall be construed as including a reference to the carrying out of any process, preparatory or ancillary to such production or use.

3. Subject to the provisions of this Act, the Central Government shall have power—

(a) to produce, develop, use and dispose of atomic energy and carry out research into any matters connected therewith;

5 (b) to manufacture or otherwise produce, buy or otherwise acquire, store and transport any prescribed or radioactive substance and any articles which in its opinion are, or are likely to be, required for or in connection with the production, develop-  
ment or use of atomic energy or such research as aforesaid and to dispose of any articles manufactured or otherwise produced, bought or otherwise acquired by it;

(c) to declare as "restricted information" any information not so far published or otherwise made public relating to—

10 (i) the location, quality and quantity of prescribed substances and transactions for their acquisition, whether by purchase or otherwise, or disposal, whether by sale or otherwise;

15 (ii) the processing of prescribed substances and the extraction or production of fissile materials from them;

(iii) the theory, design, construction and operation of plants for the treatment and production of any of the prescribed substances and for the separation of isotopes;

20 (iv) the theory, design, construction and operation of nuclear reactors;

(v) research and technological work on materials and processes involved in or derived from items (i) to (iv);

25 (d) to declare as "prohibited area" any area or premises where work including research, design or development is carried on in respect of the production, treatment, use, application or disposal of atomic energy or of any prescribed substance;

(e) to provide for control over radioactive substances or radiation generating plant in order to—

(i) prevent radiation hazards;

30 (ii) secure public safety and safety of persons handling radioactive substances or radiation generating plant; and

(iii) ensure safe disposal of radioactive wastes;

35 (f) to provide for the production and supply of electricity from atomic energy and for taking measures conducive to such production and supply and for all matters incidental thereto; and

(g) to do all such things (including the erection of buildings and execution of works and the working of minerals) as the Central Government considers necessary or expedient for the exercise of the foregoing powers.

Notification  
of discovery  
of uranium  
or thorium.

4. (1) Every person who, whether before or after the commencement of this Act, has discovered or discovers that uranium or thorium occurs at any place in India shall, within three months after the date of commencement of this Act or after the discovery, whichever is later, report the discovery in writing to the Central Government or to any person or authority authorised by the Central Government in this behalf. 5

(2) Every person who has reason to believe that uranium or thorium occurs at any place in India shall, without delay, send intimation of such belief and the reasons therefor to the Central Government or to any such person or authority as aforesaid. 10

Control over  
mining or  
concentra-  
tion of sub-  
stances  
containing  
uranium.

5. (1) If the Central Government is satisfied that any person is mining or is about to mine any substance from which, in the opinion of the Central Government, uranium can be or may reasonably be expected to be, isolated or extracted, or is engaged or is about to be engaged in treating or concentrating by any physical, chemical or metallurgical process any substance from which, in the opinion of the Central Government, uranium can be or may reasonably be expected to be, isolated or extracted, the Central Government may by notice in writing give to that person either— 15 20

(a) require him in conducting the mining operations or in treating or concentrating the substance aforesaid to comply with such terms and conditions and adopt such processes as the Central Government may in the notice, or from time to time thereafter, think fit to specify, or 25

(b) totally prohibit him from conducting the mining operations or treating or concentrating the substance aforesaid.

(2) Where any terms and conditions are imposed on any person conducting any mining operations or treating or concentrating any substance under clause (a) of sub-section (1), the Central Government may, having regard to the nature of the terms and conditions, decide as to whether or not to pay any compensation to that person and the decision of the Central Government shall be final: 30

Provided that where the Central Government decides not to pay any compensation, it shall record in writing a brief statement giving the reasons for such decision. 35

(3) Where the Central Government decides to pay any compensation under sub-section (2), the amount thereof shall be determined in accordance with section 21 but in calculating the compensation payable, no account shall be taken of the value of any uranium contained in the substance referred to in sub-section (1). 40

(4) Where any mining operation or any process of treatment or concentration of any substance is prohibited under clause (b) of sub-section (1), the Central Government shall pay compensation to the person conducting the mining operations or using the process of treatment or concentration and the amount of such compensation shall be determined in accordance with section 21 but in calculating the compensation payable, no account shall be taken of the value of any uranium contained in the substance.

6. (1) No minerals, concentrates and other materials which contain uranium in its natural state in excess of such proportion as may be prescribed by notification by the Central Government shall be disposed of except with the previous permission in writing of the Central Government and in accordance with such terms and conditions as it may impose. Disposal of uranium.

(2) The Central Government may serve notice on any person who has produced any mineral, concentrate or other material referred to in sub-section (1) that the Central Government proposes to acquire it and upon the service of the notice and the payment of compensation in accordance with section 21, the mineral, concentrate or other material shall become the property of the Central Government and shall be delivered to the Central Government or as it may direct:

Provided that in determining the compensation regard shall be had to the cost of production of such mineral, concentrate or other material and such other factors as may be relevant, but no account shall be taken of the value of uranium in its natural state contained therein.

7. The Central Government may, by notice in writing served on any person, require him to make such periodical and other returns, or statements at such times and containing such particulars and accompanied by such plans, drawings and other documents as may be specified in the notice relating to— Power to obtain information regarding materials, plant or processes.

(a) any prescribed substance, specified in the notice, in his possession or under his control or present in or on any land or mine owned or occupied by him which in the opinion of the Central Government is or can be a source of any of the prescribed substances, including returns in respect of any such land or mine;

(b) any plant in his possession or under his control designed for mining or processing of minerals so specified, or adapted for the production or use of atomic energy or research into matters connected therewith;

(c) any contract entered into by him or any licence granted by or to him relating to prospecting or mining of minerals so specified or the production or use of atomic energy or research into matters connected therewith;

(d) any other information in his possession relating to any work carried out by him or on his behalf or under his directions, in connection with prospecting or mining of materials so specified or the production or use of atomic energy or research into matters connected therewith.

Power of  
entry and  
inspection.

8. (1) Any person authorised by the Central Government may, on producing, if so required, a duly authenticated document showing his authority, enter any mine, premises or land—

(a) where he has reason to believe that work is being carried out for the purpose of or in connection with production and processing of any prescribed substances or substances from which a prescribed substance can be obtained or production, development or use of atomic energy or research into matters connected therewith, or

(b) where any such plant as is mentioned in clause (b) of section 7 is situate.

and may inspect the mine, premises, or land and any articles contained therein.

(2) The person carrying out the inspection may make copies of or extracts from any drawing, plan or other document found in the mine, premises or land and for the purpose of making such copies or extracts, may remove any such drawing, plan or other document after giving a duly signed receipt for the same and retain possession thereof for a period not exceeding seven days.

Power to do  
work for  
discovering  
minerals.

9. (1) The Central Government may, subject to the provisions of this section, do on, over or below the surface of any land such work as it considers necessary for the purpose of discovering whether there is present in or on the land, either in a natural state or in a deposit of waste material obtained from any underground or surface working, any substance from which in its opinion any of the prescribed substances can be obtained, and the extent to which such substance is so present.

(2) Before any powers are exercised under sub-section (1) in relation to any land, the Central Government shall serve on every owner, lessee and occupier of the land a notice in writing specifying the nature of the work proposed to be done and the extent of the land affected, and the time, not being less than twenty-eight days, within which and the manner in which objections can be made thereto, and

no such powers shall be exercised otherwise than in pursuance of the notice or before the expiration of the time specified therein for making objections.

(3) The Central Government may, after giving the person making the objection an opportunity of appearing before and being heard by a person appointed by the Central Government for the purpose, and after considering any such objection and the report of the person so appointed, make such orders as it may deem proper but not so as to increase the extent of the land affected.

(4) Compensation shall be determined and paid in accordance with section 21 in respect of any diminution in the value of any land or property situate thereon resulting from the exercise of powers under this section.

10. (1) Where it appears to the Central Government that any minerals from which in its opinion any of the prescribed substances can be obtained are present in or on any land, either in a natural state or in a deposit of waste material obtained from any underground or surface working, it may by order provide for compulsorily vesting in the Central Government the exclusive right, so long as the order remains in force, to work those minerals and any other minerals which it appears to the Central Government to be necessary to work with those minerals, and may also provide, by that order or a subsequent order, for compulsorily vesting in the Central Government any other ancillary rights which appear to the Central Government to be necessary for the purpose of working the minerals aforesaid including (without prejudice to the generality of the foregoing provisions) —

Compulsory  
acquisition  
of rights to  
work  
minerals.

(a) rights to withdraw support;

(b) rights necessary for the purpose of access to or conveyance of the minerals aforesaid or the ventilation or drainage of the working;

(c) rights to use and occupy the surface of any land for the purpose of erecting any necessary buildings and installing any necessary plant in connection with the working of the minerals aforesaid;

(d) rights to use and occupy for the purpose of working the minerals aforesaid any land forming part of or used in connection with an existing mine or quarry, and to use or acquire any plant used in connection with any such mine or quarry; and

(e) rights to obtain a supply of water for any of the purposes connected with the working of the minerals aforesaid, or

to dispose of water or other liquid matter obtained in consequence of working such minerals.

(2) Notice of any order proposed to be made under this section shall be served by the Central Government—

(a) on all persons who, but for the order, would be entitled to work the minerals affected; and

(b) on every owner, lessee and occupier (except tenants for a month or for less than a month) of any land in respect of which rights are proposed to be acquired under the order.

(3) Compensation in respect of any right acquired under this section shall be paid in accordance with section 21, but in calculating the compensation payable, no account shall be taken of the value of any minerals present in or on land affected by the order, being minerals specified in the order as those from which in the opinion of the Central Government uranium or any concentrate or derivative of uranium can be obtained.

Compulsory  
acquisition  
of prescribed  
substances,  
minerals  
and plants.

11. (1) Save as otherwise provided in any other provision of this Act, the Central Government may compulsorily acquire in accordance with the provisions of this section—

(a) any prescribed substance, 20

(b) any minerals from which in the opinion of the Central Government any of the prescribed substances can be obtained;

(c) any prescribed equipment;

(d) any plant which is designed or adapted for the mining or processing of any minerals referred to in clause (b) or substances obtained therefrom or for the production or use of any prescribed substance or a radioactive substance or for the production, use or disposal of such articles as are or are likely to be required for or in connection with the production, use or disposal of atomic energy or for research into matters connected therewith. 25 30

(2) Where the Central Government acquires any plant referred to in clause (d) of sub-section (1), it shall also have the right to acquire any buildings, railway sidings, tramway lines, or aerial ropeways serving such plant. 35

(3) Where the Central Government proposes to acquire any property under sub-section (1), it shall serve upon the person appearing to be the owner thereof, a notice in writing specifying the property



to be acquired and requiring that person to make to the Central Government within the time specified in the notice a written declaration containing such particulars as may be so specified regarding the ownership of such property and any agreement or charge by virtue of which any other person has an interest in such property.

(4) Upon the service of a notice under sub-section (3), no property to which the notice relates shall be disposed of without the previous permission in writing of the Central Government.

(5) If it appears to the Central Government in consequence of any written declaration made to it in pursuance of sub-section (3) that any person other than the person on whom the notice under sub-section (3) was served is the owner of, or has any interest in, the property to which the notice relates, the Central Government shall serve a copy of the notice on that other person.

(6) A notice served under sub-section (3) shall contain a statement to the effect that an objection may be made thereto within such time and in such manner as may be specified, and if any such objection is duly made and not withdrawn, the Central Government shall afford an opportunity to the person making the objection of appearing before and being heard by a person appointed by the Central Government for the purpose.

(7) After considering any such objection, and the report of the person appointed by it under sub-section (6), the Central Government may serve on the persons upon whom the notice under sub-section (3) or a copy thereof was served a further notice in writing either withdrawing the notice of acquisition or confirming the said notice as respects the property to which it relates or such part of the property as may be specified.

(8) Any property with respect to which a notice of acquisition is served under this section shall—

(a) if no objection is duly made to the notice, vest in the Central Government at the expiration of the time for making such objection;

(b) if such an objection is duly made and the notice is confirmed as respects the whole or any part of that property by a notice served under sub-section (7), vest accordingly in the Central Government on the service of the last mentioned notice;

and shall in either case vest free from all encumbrances.

(9) Compensation in respect of acquisition under this section shall be paid in accordance with section 21.

Compensation in case of compulsory acquisition of a mine.

12. Where the Central Government acquires, in accordance with any law, any mine or part of a mine from which in the opinion of the Central Government any of the prescribed substances can be obtained, compensation in respect of such acquisition shall be paid in accordance with section 21: 5

Provided that in determining the amount of such compensation, no account shall be taken of the value of uranium which may be obtained from such mine or part of a mine.

Novation of certain contracts.

13. (1) The Central Government may serve on the parties to a contract relating to prospecting or mining of any substance from which any of the prescribed substances can be obtained or to production or use of atomic energy or to research into matters connected therewith, not being a contract for the rendering of personal services, a notice in writing stating that on such date as may be specified in the notice the rights and liabilities of any of the parties to the contract specified in the notice (hereinafter referred to as the specified party) will be transferred to the Central Government, and thereupon subject to any withdrawal of the notice under the following provisions of this section, the contract shall, as regards any rights exercisable, or liabilities incurred, on or after the said date, have effect as if the Central Government were a party to the contract instead of the specified party and as if for any reference in the contract to the specified party there were substituted a reference to the Central Government. 15 20

(2) A notice served under sub-section (1) shall contain a statement to the effect that an objection may be made thereto within such time and in such manner as may be specified, and if any such objection is duly made and not withdrawn, the Central Government shall afford an opportunity to the person making the objection of appearing before and being heard by a person appointed by the Central Government for the purpose. 25 30

(3) After considering any such objection and the report of the person appointed by it under sub-section (2), the Central Government may make such order as it may deem proper.

(4) Where the rights and liabilities of a party to a contract are transferred to the Central Government under this section, there shall be paid to that party such compensation in respect of any loss suffered by that party as may be agreed between him and the Central Government, and in default of such agreement, as may be determined by arbitration. 35 40

Control over production and use of atomic energy.

14. (1) The Central Government may, subject to such rules as may be made in this behalf, by order prohibit except under a licence granted by it—

(i) the working of any mine or minerals specified in the order, being a mine or minerals from which in the opinion of the Central Government any of the prescribed substances can be obtained;

5 (ii) the acquisition, production, possession, use, disposal, export or import—

(a) of any of the prescribed substances; or

10 (b) of any minerals or other substances specified in the rules, from which in the opinion of the Central Government any of the prescribed substances can be obtained; or

(c) of any plant designed or adapted or manufactured for the production, development and use of atomic energy or for research into matters connected therewith; or

(d) of any prescribed equipment.

15 (2) Nothing in this section shall affect the authority of the Central Government to refuse a licence for the purpose of this section or to include in a licence such conditions as the Central Government thinks fit or to revoke a licence and the Central Government may take any action as aforesaid.

20 (3) Without prejudice to the generality of the foregoing provisions, the rules referred to in this section may provide for—

25 (a) the extent to which information in the possession of, or which has been made available to, the person granted a licence for purposes of this section, should be regarded as restricted information;

(b) the extent to which the area or premises under the control of the person to whom a licence has been granted for purposes of this section, should be regarded as a prohibited area;

30 (c) the conditions and criteria for location of any installation or operation of any plant in respect of which a licence has been granted or is intended to be granted for the purposes of this section including those necessary for protection against radiation and safe disposal of harmful by-products or wastes;

35 (d) the extent of the licensee's liability in respect of any hurt to any person or any damage to property caused by ionising radiations or any radioactive contamination either at the plant under licence or in the surrounding area;

40 (e) provision by licensee either by insurance or by such other means as the Central Government may approve, of sufficient funds to be available at all times to ensure settlement of any

claims in connection with the use of the site or the plant under licence which have been or may be duly established against the licensee in respect of any hurt to any person or any damage to any property caused by ionising radiations emitted at the plant under licence or radioactive contamination either at the plant 5 under licence or in surrounding areas;

(f) obligatory qualifications, security clearances, hours of employment, minimum leave and periodical medical examination of the persons employed and any other requirement or restriction or prohibition on the employer, employed persons and other 10 persons; and

(g) such other incidental and supplementary provisions including provisions for inspection and also for the sealing of premises and seizure, retention and disposal of any article in respect of which there are reasonable grounds for suspecting that a con- 15 travention of the rules has been committed, as the Central Government considers necessary.

(4) The Central Government may also prescribe the fees payable for issue of licences under sub-section (1).

Requisition-  
ing of any  
substance for  
extracting  
or uranium  
plutonium.

15. (1) The Central Government shall have the right to require 20 that any substance which, in the opinion of the Central Government, contains uranium, plutonium or any of their isotopes, shall be delivered to it and the Central Government may extract from that substance the uranium, plutonium or any of their isotopes contained therein and return the substance to the person concerned on pay- 25 ment of compensation which shall be determined in accordance with section 21:

Provided that such compensation shall not, in any case, exceed the cost incurred by the person in the production, mining or irradiation of the substance and in determining the same no account shall be 30 taken of the value of the uranium, plutonium or any of their isotopes extracted from the substance.

(2) Nothing in this section shall prevent the Central Government from permitting, subject to such conditions as it may deem fit to impose, the use of small quantities of natural uranium for the purpose 35 of examination, test or analysis.

Control over  
radioactive  
substances.

16. The Central Government may prohibit the manufacture, possession, use, transfer by sale or otherwise, export and import and in an emergency, transport and disposal, of any radioactive substances without its written consent.

17. (1) The Central Government may, as regards any class or description of premises or places, being premises or places, in which radioactive substances are manufactured, produced, mined, treated, stored or used or any radiation generating plant, equipment or appliance is used, make such provision by rules as appear to the Central Government to be necessary—

Special provisions as to safety.

(a) to prevent injury being caused to the health of persons employed at such premises or places or other persons either by radiations, or by the ingestion of any radioactive substance;

10 (b) to secure that any radioactive waste products resulting from such manufacture, production, mining, treatment, storage, or use as aforesaid are disposed of safely;

(c) to prescribe qualifications of the persons for employment at such premises or places and the regulation of their hours of employment, minimum leave and periodical medical examination;

15 and the rules may, in particular and without prejudice to the generality of this sub-section, provide for imposing requirements as to the erection or structural alterations of buildings or the carrying out of works.

(2) The Central Government may, as respects the transport of any radioactive substance or any prescribed substance specified by an order issued under this Act as being dangerous to health, make such rules as appear to be necessary to prevent injury being caused by such transport to the health of persons engaged therein and other persons.

(3) Rules made under this section may provide for imposing requirements, prohibitions and restrictions on employers, employed persons and other persons.

30 (4) Any person authorised by the Central Government under this section, may, on producing, if so required, a duly authenticated document showing his authority, enter at all reasonable hours any premises, or any vehicle, vessel or aircraft for the purpose of ascertaining whether there has been committed, or is being committed, in or in connection with the premises, vehicle, vessel or aircraft, any contravention of the rules made under this section.

(5) In the event of any contravention of the rules made under this section, the Central Government shall have the right to take such measures as it may deem necessary to prevent further injury to persons or damage to property arising from radiation or contamination by radioactive substances including, without prejudice to

the generality of the foregoing provisions, and to the right to take further action for the enforcement of penalties under section 24, the sealing of premises, vehicle, vessel, or aircraft, and the seizure of radioactive substances and contaminated equipment.

Restriction  
on disclo-  
sure of  
information.

18. (1) The Central Government may by order restrict the dis- 5  
closure of information, whether contained in a document, drawing,  
photograph, plan, model, or in any other form whatsoever, which  
relates to, represents or illustrates—

(a) an existing or proposed plant used or proposed to be  
used for the purpose of producing, developing or using atomic 10  
energy, or

(b) the purpose or method of operation of any such existing  
or proposed plant, or

(c) any process operated or proposed to be operated in any 15  
such existing or proposed plant.

(2) No person shall—

(a) disclose, or obtain or attempt to obtain any information  
restricted under sub-section (1), or

(b) disclose, without the authority of the Central Govern-  
ment, any information obtained in the discharge of any functions 20  
under this Act or in the performance of his official duties.

(3) Nothing in this section shall apply—

(i) to the disclosure of information with respect to any  
plant of a type in use for purposes other than the production,  
development or use of atomic energy, unless the information 25  
discloses that plant of that type is used or proposed to be used  
for the production, development or use of atomic energy or  
research into any matters connected therewith; or

(ii) where any information has been made available to the  
general public otherwise than in contravention of this section, 30  
to any subsequent disclosure of that information.

Prevention  
of entry  
into pro-  
hibited  
areas.

19. The Central Government may by order prohibit—

(a) entry of any person, without obtaining permission, into  
a prohibited area, and

(b) taking by any person, without permission, of any photo- 35  
graph, sketch, pictures, drawing, map or other document from a  
prohibited area and any permission, if given to do these things,  
may be subject to stipulations which the Central Government  
may consider necessary.

20. (1) As from the commencement of this Act, no patents shall be granted for inventions which in the opinion of the Central Government are useful for or relate to the production, control, use or disposal of atomic energy or the prospecting, mining, extraction, production, physical and chemical treatment, fabrication, enrichment, canning or use of any prescribed substance or radioactive substance or the ensuring of safety in atomic energy operations.

Special provisions as to inventions.

(2) The prohibition under sub-section (1) shall also apply to any invention of the nature specified in that sub-section in respect of which an application for the grant of a patent has been made to the Controller of Patents and Designs appointed under the Indian Patents and Designs Act, 1911, before the commencement of this Act and is pending with him at such commencement.

2 of 1911,

(3) The Central Government shall have the power to inspect at any time any pending patent application and specification before its acceptance and if it considers that the invention relates to atomic energy, to issue directions to the Controller of Patents and Designs to refuse the application on that ground.

(4) Any person, who has made an invention which he has reason to believe relates to atomic energy, shall communicate to the Central Government the nature and description of the invention.

(5) Any person desiring to apply for a patent abroad for an invention relating to or which he has reason to believe relates to atomic energy shall obtain prior permission from the Central Government before making the application abroad or communicating the invention to any person abroad, unless three months have elapsed since his request for permission was made to the Central Government and no reply was received by him.

(6) The Controller of Patents and Designs shall have the power to refer any application to the Central Government for direction as to whether the invention is one relating to atomic energy and the direction given by the Central Government shall be final.

(7) Any invention in the field of atomic energy conceived whether in establishments controlled by the Central Government or under any contract, sub-contract, arrangement or other relationship with the Central Government shall be deemed to have been made or conceived by the Central Government, irrespective of whether such contract, sub-contract, arrangement or other relationship involves financial participation of or assistance from the Central Government.

(8) Notwithstanding anything contained in the Indian Patents and Designs Act, 1911, the decision of the Central Government on points connected with or arising out of this section shall be final.

2 of 1911.

Principles  
relating to  
payment of  
compensation.

21. (1) Save as otherwise provided in this Act, where by reason of exercise of any powers under this Act, any compensation is payable, the amount of such compensation shall be determined in the manner and in accordance with the principles hereinafter set out, that is to say—

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(a) where the amount of compensation is fixed by agreement, it shall be paid in accordance with such agreement;

(b) where no such agreement is reached, the Central Government shall appoint as arbitrator a person having expert knowledge as to the nature of the right affected who shall determine the amount of compensation payable.

(2) In making his award, the arbitrator appointed under subsection (1) shall have regard—

(a) in the case of any compensation payable under section 9—

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(i) to the nature of the work done;

(ii) the manner, extent and duration of the exercise of any powers under that section;

(iii) the diminution in the rent of the land and of the property situated thereon, which might reasonably be expected over any period or diminution in the market value of the land and property on the date when the exercise of powers comes to an end; and

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(iv) the provisions of sub-section (1) of section 23 of the Land Acquisition Act, 1894, in so far as such provisions can be made applicable to the exercise of powers under section 9; and

25 1 of 1894.

(b) in the case of any compensation payable under section 11 or under Section 12, to the price which the owner might reasonably have been expected to obtain on a sale of the property effected by him immediately before the date of the acquisition.

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(3) An appeal shall lie to the High Court against an award of the arbitrator except in cases where the amount claimed thereof does not exceed an amount prescribed in this behalf by the Central Government.

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(4) The Central Government may make rules prescribing the procedure to be followed in arbitrations under this Act and the principles to be followed in the apportionment of the cost of proceedings before the arbitrator and on appeal.



(5) Save as provided in this Act, nothing in any law for the time being in force relating to arbitration shall apply to arbitrations under this Act.

54 of 1948. 5 22. (1) Notwithstanding anything contained in the Electricity (Supply) Act, 1948, the Central Government shall have authority—  
Special provision as to electricity.

10 (a) to develop a sound and adequate national policy in regard to atomic power, to co-ordinate such policy with the Central Electricity Authority and the State Electricity Boards constituted under sections 3 and 5 respectively of that Act and other similar statutory corporations concerned with the control and utilisation of other power resources, to implement schemes for the generation of electricity in pursuance of such policy and to operate atomic power stations in the manner determined by it in consultation with the Boards or Corporations concerned, with whom it shall enter into agreement regarding the supply of electricity so produced;

(b) to fix rates for and regulate the supply of electricity from atomic power stations with the concurrence of the Central Electricity Authority;

20 (c) to enter into arrangements with the Electricity Board of the State in which an atomic power station is situated, for the transmission of electricity to any other State: Provided that in case there is difference of opinion between the Central Government and any State Electricity Board in regard to the construction of necessary transmission lines, the matter shall be referred to the Central Electricity Authority whose decision shall be binding on the parties concerned.

9 of 1910. (2) No provision of the Indian Electricity Act, 1910, or any rule made thereunder or of any instrument having effect by virtue of  
30 such law or rule shall have any effect so far as it is inconsistent with any of the provisions of this Act.

9 of 1910. (3) Save as otherwise provided in this Act, the provisions of  
54 of 1948. this Act shall be in addition to, and not in derogation of, the Indian Electricity Act, 1910, and the Electricity (Supply) Act, 1948.

63 of 1948. 35 23. Notwithstanding anything contained in the Factories Act, 1948, the authority to administer the said Act and to do all things for the enforcement of its provisions, including the appointment of inspecting staff and the making of rules thereunder, shall vest in the Central  
Administration of Factories Act, 1948.

**Government in relation to any factory owned by the Central Government and engaged in carrying out the purposes of this Act.**

Offences and  
penalties.

**24. (1) Whoever—**

(a) contravenes any order made under section 14 or any condition subject to which a licence is granted under that section; or

(b) contravenes any rule made under section 17 or any requirement, prohibition or restriction imposed under any such rule; or

(c) obstructs any person authorised by the Central Government under sub-section (4) of section 17 in the exercise of powers under that sub-section; or

(d) contravenes sub-section (2) of section 18;

shall be punishable with imprisonment for a term which may extend to five years, or with fine, or with both. 15

**(2) Whoever—**

(a) fails to comply with any notice served on him under section 5 or with any terms and conditions that may be imposed on him under that section; or

(b) fails to comply with any notice served on him under section 7 or knowingly makes any untrue statement in any return or statement made in pursuance of any such notice; or

(c) obstructs any person or authority in the exercise of powers under section 8 or 9; or

(d) contravenes any other provision of this Act or any order made thereunder; 25

shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both.

Offences by  
companies.

**25. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly: 30**

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the 35

offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section—

(a) "company" means any body corporate and includes a firm and other association of individuals; and

(b) "director" in relation to a firm, means a partner in the firm.

26. (1) All offences under this Act shall be cognizable under the Code of Criminal Procedure, 1898, but no action shall be taken in respect of any person for any offence under this Act except on the basis of a written complaint made—

(a) in respect of contravention of section 8, 14, or 17 or any rule or order made thereunder, by the person authorised to exercise powers of entry and inspection;

(b) in respect of any other contravention, by a person duly authorised to make such complaints by the Central Government.

(2) Proceedings in respect of contravention of section 18 shall not be instituted except with the consent of the Attorney General of India.

27. The Central Government may, by order, direct that any power conferred or any duty imposed on it by this Act shall, in such circumstances and subject to such conditions as may be specified in the direction, be exercised, or discharged also by—

(a) such officer or authority subordinate to the Central Government, or

(b) such State Government or such officer or authority subordinate to a State Government as may be specified in the direction.

Effect of  
other laws.

28. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or any other instrument having effect by virtue of any enactment other than this Act.

Protection  
of action  
taken in  
good faith.

29. No suit, prosecution or other legal proceeding shall lie against the Government or any person or authority in respect of anything done by it or him in good faith in pursuance of this Act or of any rule or order made thereunder. 5

Power to  
make rules.

30. (1) The Central Government may, by notification, make rules for carrying out the purposes of this Act. 10

(2) In particular, and without prejudice to the generality of the foregoing powers, such rules may provide for—

(a) declaring any information not so far published or otherwise made public as restricted information and prescribing the measures to be taken to guard against unauthorised dissemination or use thereof; 15

(b) declaring any area or premises as prohibited area and prescribing the measures to be taken to provide against unauthorised entry into or departure from such prohibited area;

(c) reporting of information relating to the discovery of uranium, thorium and other prescribed substances and for payment of rewards for such discoveries;

(d) control over mining or concentration of substances containing uranium;

(e) regulating by licensing and encouraging by award of concessions including rewards, floor prices and guarantees, mining of and prospecting for other prescribed substances; 25

(f) compulsory acquisition of prescribed substances, minerals and plants;

(g) regulating the production, import, export, transfer, refining, possession, ownership, sale, use or disposal of the prescribed substances and any other articles that in the opinion of the Central Government may be used for, or may result as a consequence of, the production, use or application of atomic energy; 30

(h) regulating the use of prescribed equipment; 35

(i) regulating the manufacture, custody, transport, transfer, sale, export, import, use or disposal of any radioactive substance;

(j) regulating the transport of such prescribed substances as are declared dangerous to health under sub-section (2) of section 17;

5 (k) developing, controlling, supervising and licensing the production, application and use of atomic energy;

(l) fees for issue of licences under this Act;

(m) the manner of serving notices under this Act;

10 (n) generally promoting co-operation among persons, institutions and countries in the production, use, application of atomic energy and in research and investigations in that field.

(3) Rules made under this Act may provide that a contravention of the rules shall, save as otherwise expressly provided in this Act, be punishable with fine which may extend to five hundred rupees.

15 (4) Every rule made under this Act shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is so laid or the successive sessions aforesaid, both Houses agree in making any modification in the rule  
20 or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

25 31. The provisions of this Act shall be binding on Govern- Act binding  
ment. on Govern-  
ment.

32. The Atomic Energy Act, 1948, is hereby repealed.

Repeal of  
Act 29 of  
1948.

## STATEMENT OF OBJECTS AND REASONS

At present control over the development of atomic energy and matters connected therewith is exercised under the Atomic Energy Act, 1948 (29 of 1948). Having regard to the developments in the field of atomic energy since the enactment of that legislation and with a view to the implementation of the future programme of expansion in this field, it has become necessary to revise that Act extensively. It is accordingly proposed to repeal the existing Act and to replace it by a comprehensive measure. The notes on clauses explain the important provisions of the Bill.

NEW DELHI;  
*The 3rd August, 1962.*

JAWAHARLAL NEHRU.

*Notes on Clauses*

*Long title to the Bill.*—This gives an indication of the policy of the Government of India in regard to the development of atomic energy, namely, that it will be used for the welfare of the people of India and other peaceful purposes.

*Clause 4* makes it obligatory on persons discovering uranium or thorium to report their discovery to Government in view of the importance of these substances to the atomic energy programme.

*Clause 5, inter alia*, empowers the Central Government to impose certain terms and conditions on persons engaged in mining substances from which uranium can be isolated or extracted.

*Clause 6* permits the Central Government to prohibit the disposal of substances containing uranium in excess of prescribed percentages without its prior permission. It also enables Government to acquire such substances on payment of compensation.

*Clause 12* empowers the Central Government to acquire any mine or part of a mine from which, in its opinion, any of the prescribed substances can be obtained, on payment of compensation as provided in the Bill.

*Clause 15* vests the Central Government with the right to require that any substance containing uranium or plutonium or any of their isotopes shall be delivered to Government. The intention is to extract uranium, plutonium or any of their isotopes from such substance and return the residue to the party concerned. Compensation will be paid for the substances extracted. This is necessary not only because uranium, plutonium and their isotopes are essential to the atomic energy programme, but also because they are strategic materials which have military potentialities and which constitute a radiation hazard.

*Clause 16*, for the same reason, prohibits the manufacture, possession, use, transfer by sale or otherwise, export, import, etc., of radioactive substances without the written consent of the Central Government.

*Clause 17* enables the Central Government to make rules to ensure that safety measures are taken in handling radioactive

substances wherever they are manufactured, produced, mined, treated, stored, transported or used.

*Clause 20* contains provisions under which inventions relating to atomic energy will cease to be patentable in India. This is necessary as the Central Government, which has assumed the sole responsibility for the development of atomic energy in the country, should for obvious reasons be free to develop its programme without being hampered by patent rights in respect of the inventions which involve the use of atomic energy.

*Clause 21* sets out the principles relating to the payment of compensation in those cases where it is payable under the Act.

*Clause 22* empowers the Central Government to develop a national policy in regard to atomic power, to co-ordinate such policy with the Central Electricity Authority, the State Electricity Boards and other similar statutory corporations concerned with the control and utilisation of other power resources, to implement schemes for the generation of electricity in pursuance of such policy and to operate such power stations. It also authorises the Central Government to fix rates for and to regulate the supply of electricity from the atomic power stations with the concurrence of the Central Electricity Authority.

Since the Central Government has assumed the sole responsibility for the development of atomic energy in this country, it is necessary that it should have the necessary authority to formulate the policy in regard to the production and supply of electricity by utilisation of atomic energy and to implement the schemes in pursuance of that policy.

*Clause 23* vests in the Central Government the authority to administer the provisions of the Factories Act, 1948, and to enforce its provisions in the factories, workshops or other places of work owned by the Central Government, and engaged in carrying out the purposes of the Act.

This provision is essential as radiation hazards require elaborate precautions which the Department of Atomic Energy is in the best position to prescribe and enforce.

*Clause 24* prescribes a penalty of imprisonment up to five years or fine without limit or both for grave offences under the Act, and a penalty of imprisonment up to one year or fine without limit or both for less serious offences.



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*Clause 26* makes offences under the Act cognizable under the Code of Criminal Procedure, 1898.

*Clause 31* declares that the provisions of the Act shall be binding on Government. This provision is necessary to make the provisions of the Act applicable to State Governments.

## FINANCIAL MEMORANDUM

The financial effect of the Bill can be classified in two categories—  
(i) expenditure arising directly from the application of the provisions of the Bill, and (ii) expenditure incidental to the development of atomic energy. The former category will include all expenditure incurred in setting up organisations (a) to carry out inspections in the interest of the health and safety of the personnel employed in the handling and transport of radioactive substances and those employed in the plants and workshops where work connected with atomic energy is being carried out or in mines where radioactive minerals are being mined, (b) to grant licences under the Act, and (c) to prohibit or restrict mining or other operations. The expenditure on (b) above can be offset by recoveries from licensing fees. The expenditure on account of the payment of compensation involved in (i) regulating mining operations (ii) acquisition of rights to work minerals (iii) compulsory acquisition of prescribed substances, minerals, plants, mines, etc., and (iv) transfer to Government of uranium, plutonium, etc., will fall in the second category. It is not possible to indicate with any degree of accuracy the expenditure to be incurred from the Consolidated Fund of India as it would depend on the pace and extent of the programme for atomic energy development in the country and the extent to which the acquisition of certain rights or materials, plants etc., is necessary, depending upon this programme. The extent of compensation incidental thereto cannot in the very nature of the case be estimated.

2. The following clauses of the Bill have financial implications and the nature of the expenditure involved under each clause is explained below:—

*Clause 5.*—With a view to ensuring an adequate supply of uranium and other atomic minerals required to support the development of atomic energy in this country, the Central Government may, under this clause, impose any terms and conditions for the conduct of mining operations or the treatment or concentration of substances containing uranium, or totally prohibit the conduct of mining operations or the treatment or concentration of such substances. Compensation may have to be paid to the parties affected in such cases depending upon the nature of the conditions imposed.

*Clause 6.*—The Central Government may under this clause acquire, on payment of compensation, minerals, concentrates and other materials containing uranium.

*Clause 9.*—This clause confers on the Central Government the right to undertake any work in connection with the discovery of minerals containing prescribed substances. Compensation is payable in respect of any diminution in the value of the land or property situated thereon, resulting from the undertaking of such work.

*Clause 10.*—This clause authorises the Central Government to assume the exclusive right to work minerals required in connection with the development of atomic energy and certain other ancillary rights which may be necessary for the purpose of working such minerals. Compensation is payable in respect of rights acquired under this clause.

*Clause 11.*—This clause empowers the Central Government to acquire, on payment of compensation, any prescribed substances and certain minerals and plants required in connection with the development of atomic energy.

*Clause 12.*—This clause provides that compensation is payable for acquisition of any mine or part of a mine from which any of the prescribed substances can be obtained.

*Clause 13.*—Under this clause, the Central Government may acquire the rights and liabilities of any party to a contract relating to prospecting or mining of any substance from which any of the prescribed substances can be obtained. Compensation will have to be paid to the party concerned in such cases.

*Clause 15.*—Under this clause, the Central Government will have the right to require that any substance containing uranium, plutonium, or any of their isotopes shall be delivered to it. Such substance, after extraction of plutonium, uranium or isotope, shall be returned to the party concerned. Compensation to the extent defined in this clause will have to be paid by the Government to the party.

*Clause 23.*—Under this clause, the authority to administer the Factories Act, 1948, shall vest in the Central Government in relation to factories or workshops or other places of work owned by the Central Government and engaged in carrying out the purposes of the Bill. This may require setting up of an organisation and employment of suitable staff, which would otherwise have to be

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employed by the authorities responsible for the administration of the Factories Act, 1948.

*Clause 30.*—The enforcement of the rules, which may be framed by the Central Government for carrying out the purposes of the Bill, will require the employment of suitable staff.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 30 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Act. The matters in respect of which rules may be made relate, *inter alia*, to declaring any information as restricted information and prescribing precautions against unauthorised dissemination thereof, declaring any area as a prohibited area and providing against unauthorised entry into it, control over mining or concentration of substances containing uranium, compulsory acquisition of prescribed substances, minerals and plants, regulation of the grant of licences for the acquisition, possession etc., of prescribed substances and equipment, protection against radiation hazards and prescription of fees for the issue of licences. These are matters of procedure and detail incidental to or consequential upon the other provisions of the Bill. The rule-making power is thus of a normal character.

Power is also being conferred on the Central Government to issue notifications—

(a) prescribing the equipment and substances required in connection with the development of atomic energy [clause 2 (f) and (g)];

(b) prescribing the levels of the intensity of radiation of substances to be classified as radioactive substances for the purposes of the Act [clause 2 (i)];

(c) prescribing the minimum uranium content in minerals which may not be disposed of except with the prior permission of the Central Government and laying down terms and conditions for their disposal [clause 6 (1)].

These powers are intended to facilitate the enforcement of the Act with due regard to the nature of the substance or mineral concerned.

## BILL No. 71 OF 1962

*A Bill further to amend the Advocates Act, 1961.*

BE it enacted by Parliament in the Thirteenth Year of the Republic of India as follows:—

Short title, 1. This Act may be called the Advocates (Third Amendment) Act, 1962.

Amendment of section 58. 2. In section 58 of the Advocates Act, 1961 (hereinafter referred to as the principal Act), in sub-section (4),— 5 of 1961.

(i) for the words "relating to the admission and enrolment of legal practitioners, the provisions of those Acts", the words "or of any other law relating to the admission and enrolment of legal practitioners, the provisions of the Acts and law aforesaid" shall be substituted and shall be deemed always to have been substituted; 10

(ii) after the words "aforesaid Acts", the words "or of the other law" shall be inserted and shall be deemed always to have been inserted. 15

Insertion of new section 60. 3. After section 59 of the principal Act, the following section shall be inserted, namely:—

Power of Central Government to make rules,

"60. (1) Until rules in respect of any matter under this Act are made by a State Bar Council and approved by the Bar Council of India, the power to make rules in respect of that matter shall be exercisable by the Central Government. 20

(2) The Central Government may, by notification in the Official Gazette, make rules under sub-section (1) either for any State Bar Council or generally for all State Bar Councils and the rules so made shall have effect, notwithstanding anything contained in this Act. 25

(3) Where in respect of any matter any rules are made by the Central Government under this section for any State Bar Council, and in respect of the same matter, rules are made by the State Bar Council and approved by the Bar Council of India, the Central Government may, by notification in the Official Gazette, direct that the rules made by it in respect of such matter shall cease to be in force in relation to that Bar Council with effect from such date as may be specified in the notification and on the issue of such notification, the rules made by the Central Government shall, accordingly, cease to be in force except as respects things done or omitted to be done before the said date." 35

### STATEMENT OF OBJECTS AND REASONS

Under the Advocates Act, 1961 a State Bar Council has been empowered to enrol qualified persons as advocates on its roll. In order that a person who has obtained a degree in law may be eligible for such enrolment, he has to undergo a course of training in law and pass an examination thereafter as required by section 24(1) (d) of the Act. The State Bar Councils are required to frame rules for the purpose but they do not have effect, unless they are approved by the Bar Council of India. The persons who passed the final law examination before the 28th February, 1962 were exempted from undergoing the prescribed course of training and examination mainly because all the Bar Councils were not constituted by that time and effective rules for the purpose could not be framed. The Bar Councils have now been constituted but no effective rules for the purpose of prescribing the course of training and examination have yet been made. It may still take some considerable time for all the State Bar Councils to make the necessary rules and get them approved by the Bar Council of India.

2. Difficulties have arisen on account of the inordinate delay in framing the necessary rules. The persons who have passed their final Law examination after the 28th February, 1962 are not able to undergo the necessary training in the absence of proper rules. This is causing undue hardship to them. Representations have been received from various States and Universities urging upon the Government to undertake immediate steps for removing the difficulties experienced by these Law graduates.

3. It is, therefore, proposed to amend the Act empowering the Central Government to make rules for State Bar Councils to provide for a course of practical training in law and the examination to be passed after such training. This would be an enabling provision and the Central Government would exercise the power only when it is necessary to do so. When, however, any State Bar Council makes any effective rules for the purpose, the rules made by the Central Government would cease to be in force on a notification issued in this behalf.

4. There are some practising lawyers in Tripura, Manipur and other parts of India who are not legal practitioners under the Legal Practitioners Act, 1879 or the Bombay Pleaders' Act, 1920. While the Act provides for the issue or renewal of certificates of practice

to legal practitioners under these Acts, difficulties have arisen in the case of lawyers to whom other laws apply. Opportunity is being taken to remove this difficulty by making a minor amendment in section 58(4) of the Act.

5. The Bill seeks to achieve these objectives.

NEW DELHI;

The 8th August, 1962.

A. K. SEN.



## MEMORANDUM REGARDING DELEGATED LEGISLATION

Under sections 15 and 28 of the Advocates Act, State Bar Councils have been empowered to make rules in respect of the matters specified therein. Under the proposed section 60, the Central Government is being vested with powers to make rules in respect of any of those matters. This is an enabling and transitional provision. The Central Government may exercise the power in respect of any matter until rules in respect of that matter have been made by the State Bar Council and the rules made by the Central Government would remain in force only so long as effective rules are not made by the State Bar Council.

2. The delegation of legislative power is thus of a normal character.

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M. N. KAUL,  
*Secretary.*

